

SECTION BY SECTION SHOWING DIFFERENCES BETWEEN H.R. 2646, AS REPORTED, AND THE AMENDMENT IN THE NATURE OF A SUBSTITUTE

H.R. 2646 as Reported	Amendment in the Nature of a Substitute to H.R. 2646
<p align="center">TITLE I – COMMODITY PROGRAMS</p> <p>Sec. 100. Definitions. Defines terms necessary for implementation of this act, including base acres, covered commodity, effective price, eligible producer, payment acres, payment yield, and target price.</p>	No change
<p align="center">Subtitle A – Fixed Decoupled Payments and Counter-Cyclical Payments</p> <p>Sec. 101. Payments to Eligible Producers. Beginning with the 2002 crop year, the Secretary will make fixed decoupled payments to eligible producers, including producers that would have been eligible for an AMTA Contract payment in 2002 and other producers of a covered commodity on a farm in the U.S. as described in section 103. The section requires the Secretary to protect the interests of tenants and sharecroppers in carrying out this title. Finally, the section requires the Secretary to provide for a fair and equitable sharing of the fixed decoupled payments and the counter-cyclical payments among the eligible producers on a farm.</p>	No change
<p>Sec. 102. Establishment of Payment Yield. The Secretary is required to establish payment yields for each farm for each covered commodity. The yield for a farm will be the payment yield in effect for the 2002 crop of the commodity as provided under section 505 of the Agricultural Act of 1949. If no yield is available, the Secretary will establish an appropriate payment yield taking into account the payment yields applicable to the commodity for similar farms in the area. Relative to soybeans and other oilseeds, the Secretary will establish a yield for a farm by determining the average yield from 1998 through 2001, excluding years where the acreage planted to the oilseed was zero. If a farm would have satisfied disaster eligibility requirements under the FY1999 Agriculture Appropriations Bill in any of the 1998 through 2001 crop years, the Secretary will assign a yield to the farm equal to 65 percent of the county yield for that year in determining the 4-year average. The 4-year average is then reduced to reflect the increase in yields that occurred between 1981-1985 and 1998-2001.</p>	102(d) rewritten for clarity
<p>Sec. 103. Establishment of Base Acres and Payment Acres for a Farm. The Secretary will give producers a choice in determining their base acres. Producers may choose base acres reflecting the four-year average of acreage planted or prevented from being planted to the commodity for harvest, grazing, haying, silage, and other similar purposes during the 1998 through 2001 crop years. Alternatively, producers may choose base acres reflecting contract acreage that</p>	

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<p>would otherwise be used to calculate the fiscal year 2002 AMTA payments. Producers may make this election only once and provide notice as prescribed by the Secretary. If a producer fails to make an election or notice is not timely, the Secretary will deem the producer to have chosen base acres reflecting the AMTA contract acreage. The election made by the producer will apply to all covered commodities on the farm. The Secretary will restore base acres when land under a CRP contract expires, is terminated, or is released by the Secretary. When base acres are adjusted, the producer will receive either fixed decoupled payments and counter-cyclical payments or a prorated payment under a conservation reserve contract, but not both. The sum of base acres and acreage enrolled in CRP or WRP, or other programs where a producer agrees not to produce a commodity on acreage in exchange for a payment, cannot exceed the actual cropland acreage on the farm.</p>	<p>103(g)(3) added to clarify double-cropping rules</p>
<p>Sec. 104. Availability of Fixed, Decoupled Payments. The Secretary will make fixed decoupled payments to eligible producers for each of the 2002 through 2011 crop years at a payment rate of \$0.53 per bushel for wheat, \$0.30 per bushel for corn, \$0.36 per bushel for grain sorghum, \$0.25 per bushel for barley, \$0.025 per bushel for oats, \$0.0667 per pound for cotton, \$2.35 per hundredweight for rice, \$0.42 per bushel for soybeans, and \$0.0074 per pound for other oilseeds. The amount of the fixed, decoupled payment will be equal to the product of the payment rate, the payment acres, and the payment yield. Fixed decoupled payments must be paid no later than September 30 of fiscal years 2002 through 2011, except that in fiscal year 2002 payments may be made on or after December 1, 2001. A producer may receive up to 50 percent of the fixed decoupled payment in advance anytime on or after December 1 of a fiscal year. If a producer who receives a fixed decoupled payment ceases to be an eligible producer by the time final fixed decoupled payments are to be made, the producer must repay the advance amount</p>	<p>No change</p>
<p>Sec. 105. Availability of Counter-Cyclical Payments. The Secretary will make counter-cyclical payments relative to a covered commodity whenever the effective price is less than the target price. The effective price is equal to the sum of (1) the higher of the national average market price during the 12-month marketing year for the commodity or the national average loan rate, and (2) the payment rate for fixed decoupled payments for the commodity. The target price is \$4.04 per bushel for wheat, \$2.78 per bushel for corn, \$2.64 per bushel for grain sorghum, \$2.39 per bushel for barley, \$1.47 per bushel for oats, \$0.736 per pound for cotton, \$10.82 per hundredweight for rice, \$5.86 per bushel for soybeans, and \$0.1036 per pound or a fair and reasonable amount for other oilseeds. The</p>	<p>No change</p>

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<p>payment rate for counter-cyclical payments is equal to the difference between the target price and the effective price for the commodity. The payment amount for counter-cyclical payments is the product of the payment rate, the payment acres, and the payment yield. The Secretary may provide a partial payment up to 50 percent of the projected counter-cyclical payment to producers 6 months into the marketing year for that crop. The producer must repay the amount, if any, by which the partial payment exceeds the counter-cyclical payment to be made in that crop year</p>	
<p>Sec. 106. Producer Agreement Required as Condition on Provision of Fixed, Decoupled Payments and Counter-Cyclical Payments.</p> <p>As a condition of receiving fixed decoupled payments and counter-cyclical payments, the producer must comply with highly erodible lands and wetlands requirements, planting flexibility requirements, and with the requirement that the land on the farm be dedicated to an agricultural or conserving use and not be used for nonagricultural commercial or industrial use. The Secretary must establish rules to ensure compliance with these requirements. The Secretary may forgive any repayments owed by a producer that is foreclosed upon. Fixed decoupled payments and counter-cyclical payments are terminated when base acres are transferred unless the transferee agrees to comply with these requirements. There is no restriction on the transfer of base acres or payment yields. Requires a producer who receives fixed decoupled payments, counter-cyclical payments, or marketing loan assistance to submit acreage reports to the Secretary</p>	<p>No change</p>
<p>Sec. 107. Planting Flexibility. All rules concerning planting flexibility are unchanged. Generally, producers may plant any commodity on the base acres of a farm, except fruits and vegetables (excluding lentils, mung beans, and dry peas). The 3 exceptions to this rule in current law are also unchanged. Fruits and vegetables may be planted on base acres in a region where the Secretary determines there is a history of double cropping of covered commodities with fruits and vegetables. Fruits and vegetables may be planted on base acres on a farm that the Secretary determines has a history of planting fruits and vegetables on base acres, except that fixed decoupled payments and counter-cyclical payments will be reduced for each acre. Fruits and vegetables also may be planted by a producer who the Secretary determines has an established planting history of a specific fruit or vegetable, except that the quantity planted may not exceed the producer's annual planting history from the 1991 through 1995 crop years, as determined by the Secretary, and fixed, decoupled payments and counter-cyclical payments will be reduced for each acre.</p>	<p>107(b) amended to include wild rice as a prohibited crop</p>

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<p>Sec. 108. Relation to Remaining Payment Authority under Production Flexibility Contracts. Authority to make AMTA contract payments for the 2002 fiscal year is terminated upon enactment. If a producer receives a AMTA contract payment for the 2002 fiscal year before enactment of this legislation, the amount of the producer's fixed decoupled payment for fiscal year 2002 will be reduced by the amount of the AMTA contract payment</p>	No change
<p>Sec. 109. Payment Limitations. Fixed decoupled payments and counter-cyclical payments are subject to the payment limitations contained in sections 1001 through 1001C of the Food Security Act of 1985 as amended.</p>	Directed compliance with 1001A(b) deleted
<p>Sec. 110. Period of Effectiveness. The subtitle is effective from the 2002 crop year through the 2011 crop year.</p>	No change
<p>Subtitle B – Marketing Assistance Loans and Loan Deficiency Payments</p> <p>Sec. 121. Availability of Nonrecourse Marketing Assistance Loans for Covered Commodities. The Secretary will make nonrecourse marketing assistance loans available to producers of covered commodities, including extra long staple cotton, for each of the 2002 through 2011 crop years. Any production of the covered commodity is eligible. Producers that would otherwise be eligible for the assistance but for certain commingling of the covered commodity are eligible for marketing loan assistance. Producers are required to comply with highly erodible lands and wetlands conservation requirements as a condition to receiving marketing loan assistance. Extra long staple cotton is defined. Marketing loan assistance for the 2002 crop year authorized in the FAIR Act of 1996 is terminated</p>	No change
<p>Sec. 122. Loan Rates for Nonrecourse Marketing Assistance Loans. The current loan rates (per bushel or pound, as applicable) are maintained at not more than than \$2.58 for wheat, \$1.89 for corn and grain sorghum, \$1.65 for barley, \$1.21 for oats, \$0.5192 for cotton (and not less than \$0.50), \$0.7965 for extra long staple cotton, \$4.92 for soybeans, and \$0.087 for other oilseeds.</p>	122(b)(3)(B) amended to include a \$1.70 per bushel loan rate for feed barley
<p>Sec. 123. Term of Loans. The term for marketing assistance loans is unchanged. For all covered commodities except upland cotton and extra long staple cotton, the term of the loan is nine months beginning on the first day of the first month after the month in which the loan is made. For upland cotton and extra long staple cotton, the term of the loan is 10 months beginning on the first day of the month in which the loan is made.</p>	No change
<p>Sec. 124. Repayment of Loans. Repayment of marketing assistance loans is unchanged. The Secretary will permit producers of wheat, corn, grain sorghum, barley, oats, soybeans, and other oilseeds to repay a marketing assistance loan at a rate that is the lesser of the loan rate for the commodity plus interest or a rate that the Secretary</p>	

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<p>determines will minimize forfeitures, accumulation of stocks, storage costs, and allow the commodity to be marketed freely and competitively. The Secretary will permit producers of upland cotton and rice to repay a marketing assistance loan at a rate that is the lesser of the loan rate for the commodity plus interest or the prevailing world market price (adjusted to U.S. quality and location), as determined by the Secretary. The Secretary will permit producers of extra long staple cotton to repay a marketing assistance loan at the loan rate plus interest. The Secretary will prescribe by regulation the formula to determine the prevailing world market price and a mechanism to periodically announce this price. The adjustment of the prevailing world market price for upland cotton is unchanged.</p>	<p>124(f) added to address repayment rates when a producer loses beneficial interest</p>
<p>Sec. 125. Loan Deficiency Payments. Loan deficiency payments are maintained. The Secretary will make loan deficiency payments available to producers who, although eligible for a marketing assistance loan, agree to forgo a loan in favor of receiving a payment. The loan deficiency payment is determined by multiplying the loan payment rate by the quantity of the covered commodity produced, excluding any commodity for which the producer obtained a loan. The loan payment rate is the amount by which the loan rate exceeds the rate at which the loan must be repaid. This section does not apply to extra long staple cotton. The Secretary will pay the producer a loan deficiency payment on the earlier of the date the producer marketed or lost beneficial interest in the commodity or the date the producer requests the payment.</p>	<p>125(f) added to allow producers on a farm with no PFC contract to receive LDPs on 2001 crops</p>
<p>Sec. 126. Payments in Lieu of Loan Deficiency Payments for Grazed Acreage. The Secretary will make payments in lieu of loan deficiency payments for grazed acreage to producers that would be eligible for such a loan deficiency payment for wheat, barley, or oats but elects to use the acreage planted to the crops for livestock grazing. To receive a payment, the producer must agree to forgo any other harvesting of the commodity. The payment amount is determined by multiplying the loan deficiency payment rate by the payment quantity, which is determined by multiplying the quantity of grazed acreage by the payment yield. The time, manner, and availability of these payments are to be consistent with the general loan deficiency payment and marketing assistance loan provisions for wheat, barley, and oats. Producers who receive a loan deficiency payment under this section are ineligible for crop insurance or noninsured crop assistance as to that acreage</p>	<p>No change</p>
<p>Sec. 127. Special Marketing Loan Provisions for Upland Cotton. The special marketing loan provisions for upland cotton remain unchanged, including provisions relating to cotton user marketing certificates, the special import quota, and the limited global import</p>	<p>No change</p>

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quota for upland cotton.	
Sec. 128. Special Competitive Provisions for Extra Long Staple Cotton. The special competitive provisions for extra long staple cotton remain unchanged, including provisions relating to the competitiveness program, payments under the program, eligibility, and the amount and form of payment.	No change
Sec. 129. Availability of Recourse Loans for High Moisture Feed Grains and Seed Cotton and other Fibers. The availability of recourse loans for high moisture feed grains and seed cotton remains unchanged. Authority under the FAIR Act to provide this assistance for the 2002 crop year is terminated.	No change
Sec. 130. Availability of Nonrecourse Marketing Assistance Loans for Wool and Mohair. The Secretary will make nonrecourse marketing assistance loans available to producers of wool and mohair for the 2002 through 2011 marketing years. The graded wool loan rate is set at not more than \$1.00 per pound. The non-graded wool loan rate is set at not more than \$0.40 per pound. The mohair loan rate is set at not more than \$4.20 per pound. The term of the loan is one year beginning on the first day of the first month after the month in which the loan is made. Producers may repay the loan at a rate that is the lesser of the loan rate established for the commodity plus interest or at a rate that the Secretary determines will minimize forfeitures, accumulation of stock, storage costs, and that allows the commodity to be marketed freely and competitively. Loan deficiency payments are also authorized. This assistance is subject to the payment limitations imposed under sections 1001 through 1001C of the Food Security Act of 1985 as amended	No change
Sec. 131. Availability of Nonrecourse Marketing Assistance Loans for Honey. The Secretary will make nonrecourse marketing assistance loans available to producers of honey for the 2002 through 2011 marketing years. The honey loan rate is set at not more than \$0.60 per pound. The term of the loan is one year beginning on the first day of the first month after the month in which the loan is made. Producers may repay the loan at a rate that is the lesser of the loan rate established for the commodity plus interest or at the prevailing domestic market price for honey. Loan deficiency payments are also authorized. This assistance is subject to the payment limitations imposed under sections 1001 through 1001C of the Food Security Act of 1985 as amended.	No change
<p style="text-align: center;">Subtitle C – Other Commodities</p> <p style="text-align: center;">Chapter 1-Dairy</p> <p>Sec. 141. Milk Price Support Program. Milk Price Support Program is authorized through December 31, 2011 at a rate of \$9.90/cwt on a 3.67% milkfat basis. The Secretary is authorized to</p>	

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purchase butter, nonfat dry milk powder or cheese at established prices in order to maintain the \$9.90/cwt support price. The purchase prices for butter and nonfat dry milk powder may be allocated so as to minimize expenditures from the Commodity Credit Corporation. The Secretary may modify purchase prices for butter and nonfat dry milk not more than 2 times per year.	No change
Sec. 142. Repeal of Recourse Loan Program For Processors. The Recourse Loan Program for Processors (7 U.S.C. 7252) is repealed.	No change
Sec. 143. Dairy Export Incentive Program. The Dairy Export Incentive Program (15 U.S.C. 713a-14(a)) is extended through 2011.	Amended to include extension of the dairy indemnity program
Sec. 144. Fluid Milk Promotion. The Fluid Milk Processor Promotion Program (7 U.S.C. 6402) is amended to repeal the termination of authority, and to make technical changes to the definitions of “Fluid Milk Product” and “Fluid Milk Processor.”	No change
Sec. 145. Dairy Product Mandatory Reporting. Dairy Product Mandatory Reporting (7 U.S.C. 1637a(1)) is amended to make technical corrections regarding products to be reported.	No change
Sec. 146. Funding of Dairy Promotion and Research Program. The Dairy Promotion Program (7 U.S.C. 4502) is amended to require dairy importers to pay an assessment equivalent to domestic dairy producers. Importers would be eligible to vote in referenda and would have representation on the National Dairy Promotion and Research Board.	No change
<p style="text-align: center;">Chapter 2—Sugar</p> <p>Sec. 151. Sugar Program. Subsection (a) reauthorizes the sugar program through 2011. Subsection (b) terminates the marketing assessment on sugar effective October 1, 2001. Subsection (c) provides the Secretary of Agriculture the discretion to reduce loan rates for U.S. sugar producers in the event that support for foreign competitors is reduced beyond that required under the Agreement on Agriculture. Subsection (d) ensures that notification requirements do not frustrate the purposes of the nonrecourse loan program. Subsection (e) authorizes nonrecourse loans on in-process sugars. Subsection (f) requires the Secretary of Agriculture to administer the sugar program at no net cost to the federal government to the maximum extent practicable. The subsection also authorizes the CCC to accept bids from processors for the purchase of sugar inventory in exchange for reduced production. Subsection (g) requires producers and importers to report certain information. Subsection (h) makes section 163 of the FAIR Act inapplicable to sugar.</p>	
Sec. 152. Reauthorize Provisions of Agricultural Adjustment Act of 1938 Regarding Sugar. Subsection (a) repeals repetitive reporting provisions. Subsection (b) requires the Secretary to	No change

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<p>establish marketing allotments for domestically grown sugar to eliminate forfeitures. Subsection (c) updates the allotment formula to take into account current U.S. import obligations. The subsection also assigns allotments between sugarcane and sugar beets. Finally the subsection authorizes the Secretary to suspend allotments whenever imports exceed a certain level. Subsection (d) updates the base periods and other factors applicable to the allocation of sugarcane and sugar beet allotments among sugarcane and sugar beet processors, respectively. Subsection (e) establishes procedures for the Secretary to reassign allotments if a processor cannot meet the allocation. Subsection (f) prescribes the manner in which allotment disputes are settled and provides for certain adjustments in the event a processor closes. Subsection (g) allows the Secretary to preserve certain acreage base history for a longer period and also defines the term “offshore states”. Subsection (h) lifts the suspension on allotments</p>	<p>No change</p>
<p>Sec. 153. Storage Facility Loans Subsection (a) requires the CCC to amend the Code of Federal Regulations to establish a sugar storage facility loan program. Subsection (b) requires the CCC to make such loans to processors of domestically produced sugar that have satisfactory credit history, that need increased storage, and that demonstrate an ability to repay the loan. Subsection (c) provides for a 7- year term for the loan. Subsection (d) requires the program be administered using the services, facilities, and funds of the CCC.</p>	<p>No change</p>
<p>Chapter 3-Peanuts Sec. 161. Definitions. Defines terms necessary for implementation of this act, including counter-cyclical payment, effective price, eligible peanut producer, fixed, decoupled payment, payment acres, peanut acres, payment yield, producer, and target price.</p>	<p>Revised to define “historic peanut producer” and “peanut producer” instead of “eligible peanut producer”</p>
<p>Sec. 162. Establishment of payment yield, peanut acres, and payment acres for a farm. For the purpose of making fixed decoupled payments and counter-cyclical payments to eligible peanut producers under this chapter, this section directs the Secretary to provide for the establishment of a payment yield for peanut farms by first determining the average yield for peanuts on the farm for the 1998 through 2001 crop years, excluding any crop year in which the acreage planted to peanuts was zero. If, for any of these four crop years in which peanuts were planted the farm would have satisfied the eligibility criteria established to carry out section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act 1999, the Secretary shall assign a yield for that year equal to 65 percent of the county yield, as determined by the Secretary.</p>	<p>162 revised to provide for the establishment of a peanut base and yield for all historic peanut producers. Peanut</p>

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<p>This section also provides for the establishment of peanut acres which equals the four year average of acreage actually planted on the farm in peanuts during crop years 1998, 1999, 2000, and 2001 and any acreage on the farm that the producers were prevented from planting to peanuts during such crops years because of natural disaster. The section provides for the establishment of payment acres for peanuts on a farm, which are equal to 85 percent of the peanut acres for the farm. Finally the section states that the sum of peanut acres for a farm, together with any base acres for a farm under subtitle A and acreage on the farm enrolled in the conservation reserve program or wetlands reserve program, or any other acreage on the farm enrolled in a conservation program for which payments are made in exchange for not producing an agriculture commodity on the acreage, may not exceed the actual cropland acreage of the farm.</p>	<p>producers then have a one-time option to assign such yields and bases to a farm</p>
<p>Sec. 163. Availability of fixed, decoupled payments for peanuts. The Secretary will make fixed, decoupled payments to eligible producers for each of the 2002 through 2011 crop years at a payment rate of \$36 per ton for peanuts. The amount of the fixed, decoupled payment will be equal to the product of the payment rate, the payment acres, and the payment yield. Fixed, decoupled payments must be paid no later than September 30 of fiscal years 2002 through 2011, except that in fiscal year 2002 payments may be made on or after December 1, 2001. A producer may receive up to 50 percent of the fixed, decoupled payment in advance anytime on or after December 1 of a fiscal year. If a producer who receives a fixed, decoupled payment ceases to be an eligible producer by the time final fixed, decoupled payments are to be made, the producer must repay the advance amount.</p>	<p>Revised to conform with the new definitions in section 161</p>
<p>Sec. 164. Availability of Counter-Cyclical Payment for Peanuts. This section directs the Secretary to make counter-cyclical payments with respect to peanuts whenever the Secretary determines that the effective price for peanuts is less than the target price. The effective price is equal to the sum of the higher of the national average market price during the 12-month marketing year for peanuts or the national average loan rate for peanuts, and the payment rate for fixed, decoupled payments for peanuts. The target price for peanuts is \$480 per ton. The payment rate for counter-cyclical payments is equal to the difference between the target price and the effective price for the commodity. The payment amount for counter-cyclical payments is the product of the payment rate, the payment acres, and the payment yield. The Secretary may provide a partial payment up to 50 percent of the projected counter-cyclical payment to producers 6 months into the marketing year for that crop. The producer shall repay to the Secretary the amount, if any, by which the partial payment exceeds the actual counter-cyclical payment to be made for that crop.</p>	<p>Revised to conform with the new definitions in section 161</p>

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<p>Sec. 165. Producer Agreement Required As Condition On Provision of Fixed, Decoupled Payments and Counter-Cyclical Payments. This section states before producers on a farm may receive fixed decoupled payments or counter-cyclical payments, the producers shall agree to comply with applicable conservation and wetland requirements, to comply with planting flexibility requirements, and to agree to use the land in the amount equal to the peanut acres for an agricultural or conserving use. This section also directs the Secretary to provide adequate safeguards to protect the interests of tenants and sharecroppers. The Secretary may forgive any repayments owed by a producer that is foreclosed upon. Fixed, decoupled payments and counter-cyclical payments are terminated when base acres are transferred unless the transferee agrees to comply with these requirements. There is no restriction on the transfer of base acres or payment yields. Requires producers who receive fixed, decoupled payments, counter-cyclical payments, or marketing loan assistance to submit acreage reports to the Secretary</p>	<p>No change</p>
<p>Sec. 166. Planting Flexibility. Generally, producers may plant any commodity on the peanut acres of a farm, except fruits and vegetables (excluding lentils, mung beans, and dry peas). The 3 exceptions to this rule in current law are also unchanged. Fruits and vegetables may be planted on peanut acres in a region where the Secretary determines there is a history of double cropping of covered commodities with fruits and vegetables. Fruits and vegetables may be planted on peanut acres on a farm that the Secretary determines has a history of planting fruits and vegetables on peanut acres, except that fixed, decoupled payments and counter-cyclical payments will be reduced for each acre. Fruits and vegetables also may be planted by a producer who the Secretary determines has an established planting history of a specific fruit or vegetable, except that the quantity planted may not exceed the producer's annual planting history from the 1991 through 1995 crop years, as determined by the Secretary, and fixed, decoupled payments and counter-cyclical payments will be reduced for each acre.</p>	<p>Revised to include wild rice as a prohibited crop</p>
<p>Sec. 167. Marketing Assistance Loans and Loan Deficiency Payments For Peanuts. This section makes available nonrecourse marketing assistance loans for all peanut production on a farm. This section sets the maximum loan rate for peanuts at \$350 per ton. The Secretary shall permit producers to repay a marketing assistance loan at a rate that is the lesser of the loan rate for the commodity plus interest or a rate that the Secretary determines will minimize forfeitures, accumulation of stocks, storage costs, and allow peanuts to be marketed freely and competitively. In addition, this section makes available loan deficiency payments to producers who, although eligible to obtain a marketing assistance loan, agree to forgo</p>	<p>No change</p>

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obtaining the loan for peanuts in return for payments. This section gives producers options for obtaining market assistance loans through a designated marketing association, a loan servicing agent, or the Farm Service Agency. Finally this section terminates section 155 of the Federal Agriculture Improvement and Reform Act of 1996, which provided superseded price support authority.	
Sec. 168. Quality Improvement. The section states all peanuts placed under a marketing loan under section 167 shall be officially inspected and graded by Federal or State inspectors. Peanuts not placed under a marketing loan may be graded at the option of the producer. The section terminates the Peanut Administrative Committee and the Secretary is directed to establish a Peanut Standards Board for the purpose of assisting in the establishment of quality standards for peanuts. The members of the Board should fairly reflect all segments of the peanut industry.	168(c) revised to include all regions and segments of the industry on the board
Sec. 169. Payment Limitations. Fixed, decoupled payments, counter-cyclical payments and limitations on marketing loan gains and loan deficiency payments are subject to the payment limitations contained in sections 1001 through 1001C of the Food Security Act of 1985 as amended	No change
Sec. 170. Termination Of Marketing Quota Programs For Peanuts And Compensation To Peanut Quota Holders For Loss Of Quota Asset Value. During fiscal years 2002-2006, the Secretary shall make payments to eligible peanut quota holders to compensate them for the lost value of the quota on account of the repeal of the marketing quota program for peanuts at a rate of \$0.10 per pound per year.	170(a) revised to include transition rules for 2001 crop; 170(b) revised to provide for a 5-year contract
Subtitle D-Administration Sec. 181. Administration Generally. The Secretary will carry out this title through the CCC. The Secretary and the CCC must issue regulations to implement this title not later than 90 days after enactment, without regard to notice and comment rulemaking.	181(e) added to give authority to the USDA Secretary to ensure that expenditures under subtitles A, B, and C are compliant with GATT obligations
Sec. 182. Extension of Suspension of Permanent Price Support Authority. Currently suspended authorities provided in the Agricultural Adjustment Act of 1938 and the Agricultural Act of 1949 are suspended through the 2011 crop year.	No change
Sec. 183. Limitations. Payments are limited to the levels provided for in sections 1001 through 1001C of the Food Security Act of 1985, with counter-cyclical payments at the same level as the marketing loan assistance level,	No change
Sec. 184. Adjustments of Loans. Extends current authority to adjust loans so, to the maximum extent practicable, the average loan	No change

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level for a commodity will be equal to the level of support determined appropriate under this Act.	
Sec. 185. Personal Liability of Producers for Deficiencies. The liability of a producer is limited if the collateral securing any nonrecourse loan is sold as long as the sale was not fraudulent.	No change
Sec. 186. Extension of Existing Administrative Authority Regarding Loans. The full protection of marketing loan assistance to producers is extended under this Act.	No change
Sec. 187. Assignment of Payments. Producers may assign any payments received under this Act by providing notice in a manner prescribed by the Secretary.	No change

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TITLE II -- CONSERVATION Subtitle A Sec. 201. Definition of Agricultural Commodity. Changes the definition to mean any crop planted or produced in a state.	Deleted
Subtitle B Sec. 211. Ineligibility for Certain Loans and Payments (Swampbuster). Amends this provision to provide for program ineligibility for producing a commodity on a converted wetland in that year.	Deleted.
Subtitle C Sec. 221. Elimination of General Provisions (ECARP). Strikes the ECARP provisions and moves good faith reliance language to a different subtitle.	Subtitle A Sec. 201. Modifies provision to retain general provisions and the means for carrying out the ECARP, e.g., providing technical and financial assistance to farmers and ranchers Returns good faith reliance language to original location.
Subtitle D Sec. 231. Reauthorization (CRP). Reauthorizes CRP through 2011 and adds wildlife to the resources to be conserved.	Subtitle B Sec. 211. No change.
Sec. 232. Enrollment. Modifies language on land eligibility and increases the acreage cap to 39.2 million acres. Requires the Secretary to do a rulemaking that balances CRP contracts between soil erosion, water quality and wildlife habitat.	Sec. 212. Modifies eligible lands provision by retaining current language on converted marginal pasturelands and including marginal pasturelands to be devoted to natural vegetation in or near riparian areas.
Sec. 233. Duties of Owners and Operators. Permits landowners to continue with existing cover where practicable and authorizes the Secretary to permit managed haying and grazing, wind turbines and biomass recovery as long as it does not defeat the purposes of the contract.	Sec. 213. Further clarifies that the Secretary may permit managed haying and grazing, etc. as long as these activities are consistent with the conservation of soil, water quality and wildlife habitat.
Sec. 234. Duties of the Secretary. Strikes the requirement for the Secretary to provide conservation technical assistance to landowners for a CRP contract.	Deleted
Sec. 235. Acceptance of Contract Offers. Strikes language that authorizes the Secretary to consider enrollment of lands that would improve soil resources, water quality and wildlife habitat and establish different criteria for different areas of the country.	Deleted
Sec. 236. Contracts. Modifies the acquisition of land in the CRP, directs the Secretary to restore crop bases	Sec. 214. Modifies provision to retain language changing “rental payments”

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upon CRP contract expiration and changes the term “rental payments to “conservation reserve payments”.	to “conservation reserve payments.”
<p style="text-align: center;">Subtitle E</p> <p>Sec. 241. Enrollment. Provides authority to enroll 150,000 acres per year (with rollover of unused acres between years) into the WRP, directs the Secretary to give priority to maximizing wetlands functions and values, and makes lands in the CRP or under an EQIP contract ineligible for WRP.</p>	<p style="text-align: center;">Subtitle C</p> <p>Sec. 221. No change.</p>
<p>Sec. 242. Easements and Agreements. Modifies language so that landowners must conform to the easement and other restrictions of the contract.</p>	<p>Sec. 222. No change.</p>
<p>Sec. 243. Duties of the Secretary. Strikes language requiring the Secretary to provide technical assistance to landowners entering into a WRP contract or easement.</p> <p>Strikes language authorizing the Secretary to give priority to permanent easements.</p>	<p>Sec. 223. Restores current law with respect to technical assistance.</p>
<p>Sec. 244. Payment Limitation. Clarifies those payments which may account for the \$50,000 payment limitation.</p>	<p>Deleted</p>
<p>Sec. 245. Changes in Ownership; Agreement; Modification; Termination. Modifies WRP acquisitions unless the land was acquired through will or succession.</p>	<p>Sec. 224. No change.</p>
<p style="text-align: center;">Subtitle F</p> <p>Sec. 251. Purposes. Eliminates unnecessary language detailing the relationship between EQIP and the GPCP, ACP, etc. which have now been repealed.</p>	<p style="text-align: center;">Subtitle D</p> <p>Sec. 231. No change.</p>
<p>Sec. 252. Definitions. Includes non-industrial private forest land and lands that provide benefits to air, soil, water or related resources as eligible for EQIP.</p> <p>Strikes permanent wildlife habitat from definition of structural practice.</p>	<p>Sec. 232. Restores current law with respect to permanent wildlife habitat.</p>
<p>Sec. 253. Establishment and Administration. Provides for cost-share and incentives payments for EQIP contracts of 1 to 10 years in length. Eliminates prohibition on large livestock operations receiving cost-share assistance for constructing manure management facilities. Authorizes the incentives program for multiple practices that promote various environmental benefits.</p>	<p>Sec. 233. No change.</p>
<p>Sec. 254. Evaluation of Offers and Payments. Authorizes the Secretary to give priority to EQIP offers that aid produces in complying with federal and state</p>	<p>Sec. 234. Directs the Secretary to also consider the extent to which EQIP offers would encourage the utilization</p>

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environmental laws and promote the use of animal manures.	of sustainable grazing systems.
Sec. 255. Duties of Producers. Strikes an unnecessary provision that producers must agree not to conduct practices that would tend to defeat the purposes of EQIP.	Deleted.
Sec. 256. Environmental Quality Incentives Program Plan. Clarifies that plans must provide or continue to provide increased environmental benefits to air, soil, water or related resources	Sec. 235. No change.
Sec. 257. Duties of the Secretary. Conforms the technical assistance provisions of EQIP to provision requiring the Secretary to carry out all conservation programs using conservation operations funding.	<p>Sec. 236. Strikes provision and retains current law with respect to technical assistance.</p> <p>Clarifies that Secretary shall provide technical assistance and cost-share payments for developing structural practices or land management practices.</p>
Sec. 258. Limitation on Payments. Provides that EQIP payments may be up to \$50,000 per fiscal year and up to \$200,000 for multi-year contracts. Strikes language restricting payments to the year following the year the contract is awarded.	Sec. 237. No change.
Sec. 259. Groundwater Conservation. Provides \$60 million per year for the conservation of ground water, including irrigation conservation systems.	<p>Sec. 238. Adds surface water conservation to eligible practices.</p> <p>Ramps up funding as follows:</p> <ul style="list-style-type: none"> (1) FY 02- \$30 M (2) FY 03- \$45 M (3) FY 04-11- \$60 M
<p style="text-align: center;">Subtitle G</p> <p>Sec. 261. Reauthorization. Reauthorizes the use of CCC for CRP, WRP and EQIP.</p>	<p style="text-align: center;">Subtitle E</p> <p>Sec. 241. No change.</p>
Sec. 262. Funding. Provides \$1.2 billion for EQIP from 2002 through 2011.	<p>Sec. 242. Raises EQIP funding level to \$1.285 B per year.</p> <p>Ramps up EQIP funding as follows:</p> <ul style="list-style-type: none"> (1) FY 02, 03- \$1.025 B (2) FY 04, 05, 06- \$1.2 B (3) FY 07, 08, 09- \$1.4 B (4) FY 10, 11- \$1.5 B
Sec. 263. Allocation of Livestock Production. Requires 50% of EQIP funds to be used for livestock	Sec. 243. No change.

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conservation activities.	
Sec. 264. Use of Other Agencies. Directs the Secretary to use the Farm Service Agency to carry out certain conservation programs, including EQIP.	Deleted.
Sec. 265. Administration and Technical Assistance. Provides an alternative system of technical assistance and authorizes the Secretary to use certified third-parties. Provides an additional \$850 million for technical assistance for the 10-year period.	<p>Sec. 244. Strikes provision establishing a technical assistance fund. The \$850 million is added to EQIP.</p> <p>Directs the Secretary to provide technical assistance under this title to producers eligible for assistance—either directly or through an approved third party.</p> <p>Requires the Secretary to reevaluate the provision of and amount of technical assistance made available under CRP, WRP and EQIP.</p>
	<p style="text-align: center;">Subtitle F</p> <p>Sec. 251. Amends the Private Grazing Land Conservation Assistance program to include sustainable grazing systems in activities eligible for technical assistance.</p>
<p style="text-align: center;">Subtitle H</p> <p>Sec. 271. Wildlife Habitat Incentives Program. Provides \$25 million per year from 2002 through 2011. to carry out WHIP.</p>	<p>Sec. 252. Increases funding for WHIP as follows:</p> <ul style="list-style-type: none"> (1) FY 03, 04- \$30 M (2) FY 05, 06- \$35 M (3) FY 07- \$40 M (4) FY 08, 09- \$45 M (5) FY 10, 11- \$50 M
Sec. 272. Farmland Protection Program. Provides \$50 million from 2002 through 2011 to carry out the FPP.	Sec. 253. Clarifies who is an “eligible entity” for purposes of receiving money to purchase conservation easements under the FPP.
Sec. 273. Resource Conservation and Development Program. Provides permanent authorization for the RC&D program.	Sec. 254. No change.
Sec. 274. Grasslands Reserve Program. Authorizes the Secretary to carry out a grasslands reserve to conserve native and restored prairies. Provides for two million acres to be enrolled in contracts and easements.	Sec. 255. Adds the enrollment option of 30-year and permanent easements. Provides that not more than one-third of the program funds can be used for 30-year or permanent easements.

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	Specifies the level of program funding as \$254 M over 10 years.
Sec. 275. Farmland Stewardship Program. Establishes a new program to use federal conservation programs in conjunction and cooperation with state and local conservation efforts.	Sec. 256. No change.
Sec. 276. Small Watershed Rehabilitation Program. Funds this program at \$15 million annually through the life of the farm bill.	Sec. 257. No change.
<p style="text-align: center;">Subtitle I</p> Sec. 281. Availability of Funds Appropriated Pursuant to the Soil Conservation and Domestic Allotment Act. Authorizes the Secretary to use the conservation operations account of NRCS to carry out all conservation activities within USDA.	Deleted.
<p style="text-align: center;">Subtitle J</p> Sec. 291. Provisions of Food Security Act of 1985. Repeals authorities such as the environmental easement program and the conservation farm option program.	<p style="text-align: center;">Subtitle G</p> Sec. 291. No change.

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<p align="center">TITLE III -- TRADE</p> <p>Sec. 301. Market Access Program.</p> <p>(a) Reauthorizes the Market Access Program (section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623)) through 2011, and increases funding from \$90,000,000 to \$200,000,000.</p> <p>(b) Designates that Market Access Program funds may be used for activities to develop, maintain or expand foreign markets for leaf tobacco.</p>	<p>(a) No change.</p> <p>(b) No provision for leaf tobacco.</p>
<p>Sec. 302 Food for Progress.</p> <p>(a) Reauthorizes Food for Progress (the Food Security Act of 1985 (7 U.S.C. 1736o)) through 2011.</p> <p>(b) Increases the limits on Commodity Credit Corporation funding for administrative costs from \$10,000,000 to \$12,000,000.</p> <p>(c) Excludes from the limitations on tonnage in Sec. 1110(g) of Food for Progress those commodities furnished on a grant basis or on credit terms under title I of the Agricultural Trade Development Act of 1954.</p> <p>(d) Increases the limits on Commodity Credit Corporation funding for transportation costs related to distribution of commodities from \$30,000,000 to \$35,000,000.</p> <p>(e) Encourages the President to approve agreements that provide commodities to be made available for distribution or sale on a multiyear basis.</p> <p>(f) Adds a new provision that encourages the Secretary to finalize program agreements and requests before the beginning</p>	<p>(a) No change.</p> <p>(b) Increases the limits on Commodity Credit Corporation funding for administrative costs to \$15,000,000.</p> <p>(c) No change.</p> <p>(d) Increases the limits on Commodity Credit Corporation funding for transportation costs to \$40,000,000.</p> <p>[(e)] Increases limits on amounts of commodities from 500,000 metric tons to 1,000,000 metric tons.</p> <p>[(f)] No change.</p> <p>[(g)] Allows for the use of U.S. dollars and other currencies for the monetization of commodities.</p> <p>[(h)] Includes the House Committee on International Relations among the Committees</p>

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<p>of the relevant fiscal year. Also requires Secretary to provide the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry a list of approved programs, countries and commodities, and the total amounts of funds approved for transportation and administrative costs related to Food for Progress by November 1 of the relevant fiscal year.</p>	<p>to which the Secretary will provide a list of information.</p>
	<p>[Sec. 303.] Surplus commodities for developing/friendly countries. Amends section 416(b) of the Agricultural Act of 1967.</p> <p>(a) Authorizes the use of U.S. dollars and other currencies for the monetization of commodities.</p> <p>(b) Requires the Secretary to publish in the Federal Register by October 31 of each fiscal year an estimate of the total commodities available under this section for that fiscal year and encourages the Secretary to finalize agreements by Dec. 31.</p>
<p>Sec. 303. Export Enhancement Act. Reauthorizes the Export Enhancement Act (section 301(e) of the Agricultural Trade Act of 1978 (7 U.S.C. 5651(e)) through 2011 at the current funding level of \$478,000,000.</p>	<p>[Sec. 304.]</p>
<p>Sec. 304. Foreign Market Development Cooperator Program.</p> <p>(a) Reauthorizes the Foreign Market Development Cooperator Program (section 703 of the Agricultural Trade Act of 1978) through 2011 and authorizes \$35,000,000 from the Commodity Credit Corporation for each of fiscal years 2002 through 2011 to carry out the program.</p> <p>(b) Directs the Secretary to carry out the Foreign Market Development Cooperator Program with a significant emphasis on the importance of exporting value-added agricultural products to emerging markets.</p> <p>(c) Requires the Secretary to report to Congress on the funding and success of the Foreign Market Development Cooperator Program</p>	<p>[Sec. 305.]</p> <p>(a) Authorizes \$37,000,000 from the Commodity Credit Corporation for each of fiscal years 2002 through 2011 to carry out the program.</p> <p>(b) No change.</p> <p>(c) Specifies that the Secretary shall report to the House Committees on Agriculture and International Relations, and the Committees on Agriculture, Nutrition and Forestry and Foreign Relations of the Senate, on the funding and success of the Foreign Market Development</p>

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<p>Sec. 305. Export Credit Guarantee Program.</p> <p>(a) Reauthorizes the Export Credit Guarantee Program (sec. 211(b)(1) of the Agricultural Trade Act of 1978) through 2011.</p> <p>(b) Continues for fiscal years 2002 through 2011 the current requirement that not less than 35 percent of the export credit guarantees issued be used to promote the export of processed or high-value agricultural products.</p>	<p>Cooperator Program.</p> <p>[Sec. 306.] No change.</p>
<p>Sec. 306. Food for Peace (P.L.480).</p> <p>Reauthorizes Food for Peace and the International Food Relief Partnership Act through 2011.</p>	<p>[Sec. 307.]</p> <p>Adds a new purpose of conflict prevention to the Food for Peace program.</p> <p>Changes the designation of funds that may be used to support eligible organizations in carrying out this program to an amount that is not less than 5 percent and not more than 10 percent of the funds made available under Title II in each fiscal year.</p> <p>Authorizes the use of U.S. dollars and other currencies for monetization of commodities.</p> <p>Increases the minimum levels of commodities to be made available from 2,025,000 to 2,250,000 metric tons.</p> <p>Increases the number of days in before which the Administrator must make a decision regarding a submitted proposal submitted by an eligible organization or a United States mission from 45 days to 120 days.</p> <p>No change.</p>
<p>Reauthorizes the Farmer-to-Farmer Program.</p> <p>Sec. 307. Emerging Markets.</p> <p>Reauthorizes section 1542 of the Food, Agriculture, Conservation, and Trade Act of 1990 through 2011 to promote agricultural exports to emerging markets.</p>	<p>[Sec. 308.] Increases the amount of assistance the Secretary shall provide for the Agricultural Fellowship Program from \$10,000,000 to \$13,000,000.</p>

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Sec. 308. Bill Emerson Humanitarian Trust. Reauthorizes the Bill Emerson Humanitarian Trust Act through 2011.	[Sec. 309.] No change.
Sec. 309. Technical Assistance for Specialty Crops. <p>(a) Establishes an export assistance program to address barriers to the export of United States specialty crops.</p> <p>(b) Provides direct assistance through public and private sector projects and technical assistance to remove, resolve, and/or mitigate SPS and related barriers to trade.</p> <p>(c) Gives priority to time sensitive and market access projects based on trade effect and trade impact.</p> <p>(d) Authorizes \$3,000,000 in funding from the Commodity Credit Corporation.</p>	[Sec. 310.] No change.
	Sec. 311. Farmers for Africa and Caribbean Basin Program. Authorizes \$10,000,000 for the President to administer a bilateral exchange programs whereby U.S. farmers and farming specialists provide technical advice and assistance to eligible farmers in Africa and the Caribbean Basin countries.
	Sec. 312. George McGovern-Robert Dole International Food for Education and Child Nutrition Program. Authorizes the President to administer feeding programs for school children, pregnant women, nursing mothers and infants in foreign countries.
	Sec. 313. Study on Fee for Services. Instructs the Secretary to report to Congress on the feasibility of instituting a program charging fees to cover the costs of services performed abroad on matters within the authority of the Department of Agriculture administered by the Foreign Agriculture Service.
	Sec. 314. National Export Strategy Report. Directs the Secretary to prepare a long-range comprehensive agricultural trade strategy and to report to the House Committees on Agriculture and International Relations, and the Senate Committee on Agriculture, Nutrition and Forestry, on the activities the Department of

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	Agriculture has undertaken to implement the National Export Strategy Report.

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<p>TITLE IV -- NUTRITION</p> <p>Subtitle A—Nutrition Programs</p> <p>Sec. 401. Simplified Definition of Income. Allows for the exclusion from household income of deferred educational loans, grants and veteran’s educational benefits that are excluded under Medicaid, state complementary payments made under the former Aid to Families with Dependent Children Program, and any income not considered under the Temporary Assistance to Needy Families Program (TANF) and Medicaid. It would not include items that are included in the definition of income but part of which are disregarded for the purposes of TANF and Medicaid by state agencies.</p>	No change.
<p>Sec. 402. Standard Deduction. Increases the standard deduction under the food stamp program, which will be calculated according to family size.</p>	No change.
<p>Sec. 403. Transitional Food Stamps for Families Moving from Welfare. Provides, at state option, for 6 months of transitional food stamp benefits for families leaving TANF.</p>	No change.
<p>Sec. 404. Quality Control Systems. Reforms the food stamp quality control program to require States to use the 95% statistical probability in calculating State error rates. Provides that in determining sanctions against States for high error rates, sanctions are delayed until the third consecutive year in which a State’s error rate exceeds the national average error rate by more than 1%. Provides for bonus payments to certain States for excellent administration of certain food stamp rules through fiscal year 2007.</p>	No change.
<p>Sec. 405. Simplified Application and Eligibility Requirements. Requires the Secretary to provide grants to states to develop and implement programs that improve the food stamp application and eligibility determination process.</p>	No change.
<p>Sec. 406. Authorization of Appropriations. Reauthorizes the food stamp employment and</p>	No change.

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<p>training program, the cash payment project for elderly and disabled food stamp participants, food stamp outreach demonstration projects, the Food Stamp Act, the food assistance block grant for Puerto Rico, and the nutrition assistance program for American Samoa. In addition, this section reauthorizes and expands community food projects and The Emergency Food Assistance Program.</p>	
<p>Subtitle B—Commodity Distribution Sec. 441. Distribution of Surplus Commodities to Special Nutrition Projects. Section 1114 (a) of the Agriculture and Food Act of 1981 is amended by striking "2002" and inserting "2011." Effective through 2011, whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary, the Secretary shall encourage consumption of such commodity through agreements with private companies under which the commodity is reprocessed into end-food products for use by eligible recipient agencies.</p>	<p>No change.</p>
<p>Sec. 442. Commodity Distribution Program. Reauthorizes through 2011 the authority of the Secretary to purchase and distribute sufficient agricultural commodities to maintain the traditional levels of assistance for food assistance programs.</p>	<p>No change.</p>
<p>Sec. 443. Emergency Food Assistance. Reauthorizes the Emergency Food Assistance Program (TEFAP) through 2011.</p>	<p>No change.</p>
<p>Subtitle C—Miscellaneous Provisions Sec. 461. Hunger Fellowships Program. (a) Congressional Hunger Fellows Act; describes the late Representatives Bill Emerson and Mickey Leland, their friendship and their commitment to ending hunger. (b) Establishes an independent agency of the Legislative Branch of the U.S. government, the Congressional Hunger Fellows Program, as a living memorial for</p>	<p>(a) No change</p> <p>(b) No change</p>

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<p>Emerson and Leland.</p> <p>(c) Creates a board of trustees to supervise and direct the Program.</p> <p>(d) Defines purposes as: encouraging future leaders to pursue careers in humanitarian service, recognizing the needs of the hungry, and providing assistance and compassion for those in need; increasing awareness of the importance of public service; providing training and development opportunities for these leaders. Authorizes the creation of fellowships to carry out the above purposes.</p> <p>(e) Establishes a Congressional Hunger Fellows Trust Fund in the Treasury, managed by the Secretary of the Treasury and invested in interest bearing obligations of the United States that shall provide funds from the interest to run the program.</p> <p>(f) Allows the board to expend funds to carry out the program from the interest of the fund, not the principle. Provides for audits by the Comptroller General of GAO and a subsequent report to Congress.</p> <p>(g) Allows the board to select an executive director to administer the program. The program may accept donations, hire temporary consultants and enter into contracts as necessary.</p> <p>(h) Requires the board to submit an annual report to Congress that details the evaluations of the program and funds raised and expended.</p> <p>(i) Authorizes \$18,000,000 to be appropriated to fund the program.</p>	<p>(c) No change</p> <p>(d) No change</p> <p>(e) No change</p> <p>(f) No change</p> <p>(h) Requires the board to submit an annual report to the House Committees on Agriculture and International Relations, and the Senate Committee on Agriculture, Nutrition and Forestry, that details the evaluations of the program and funds raised and expended.</p> <p>(i) No change.</p>
<p>Sec. 462. General Effective Date. Designates that the amendments made by in this title shall take effect on October 1, 2001, unless otherwise specified.</p>	<p>No change.</p>

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TITLE V -- CREDIT	
<p>Sec. 501. Eligibility of Limited Liability Companies for Farm Ownership Loans, Farm Operating Loans, and Emergency Loans.</p> <p>Amends sections of the Consolidated Farm and Rural Development Act (ConAct) that authorize farm real estate, operating and emergency loans by including limited liability companies as eligible entities to apply for these loans.</p>	No change
<p>Sec. 502. Suspension of Effectiveness of Certain Provision.</p> <p>Provides that Sec. 319 of the ConAct dealing with the graduation of borrowers with Farm Service Agency loans to commercial sources of credit will have no effect through December 31, 2006. Current law provides a moratorium on these loans through December 31, 2002.</p>	No change
<p>Sec. 503. Administration of Certified Lenders and Preferred Certified Lenders Programs.</p> <p>Amends Sec. 331(b) of the ConAct to authorize the Secretary of Agriculture to administer the certified and preferred lender guaranteed loan programs through central offices in states or multi-state areas.</p>	No change
<p>Sec. 504. Simplified Loan Guarantee Application Available for Loans of Greater Amounts.</p> <p>Amends Sec. 333A(g)(1) of the ConAct to increase the loan amount of the guaranteed program using a simplified short form to \$150,000.</p>	No change
<p>Sec. 505. Elimination of Requirement that Secretary Require County Committees to Certify in Writing that Certain Loan Reviews Have Been Conducted.</p> <p>Amends Sec. 333 of the ConAct to remove the requirement that county committees must certify in writing annually that farmer program borrowers' business operations and credit histories have been reviewed and the borrowers continue to be eligible for the loan program.</p>	No change
<p>Sec. 506. Authority to Reduce Percentage of Loan Guaranteed if Borrower Income is Insufficient to Service Debt.</p> <p>Amends Sec. 339 of the ConAct to authorize the Secretary to guarantee less than 80 percent of farm</p>	No change

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program loans even though the borrower does not show a 100 percent cash flow in his farm plan.	
<p>Sec. 507. Timing of Loan Assessments.</p> <p>Technical amendment to Sec. 360(a) of the ConAct that conforms to a provision of the 1994 USDA reauthorization act that eliminated a requirement for the local county committee to approve a borrower's eligibility for farmer program loans.</p>	No change
<p>Sec. 508. Making and Servicing of Loans by Personnel of State, County or Area Committees.</p> <p>Adds a new section to Subtitle D of the ConAct to require the Secretary to use Farm Service Agency county office employees to make and service farmer program loans if the personnel are trained to do so. This authority overrides the 90-day finality rule of FSA county office employees in Sec. 281(a)(1) of the USDA reorganization act.</p>	No change
<p>Sec. 509. Eligibility of Employees of State, County, or Area Committee for Loans and Loan Guarantees.</p> <p>Adds a new section to Subtitle D of the ConAct to make eligible Farm Service Agency local county office employees and USDA employees for farmer program loans so long as a local county office other than the applicant's home office approves the loan application.</p>	No change
<p>Sec. 510. Emergency Loans in Response to an Economic Emergency Resulting from Sharply Increasing Energy Costs.</p> <ol style="list-style-type: none"> 1) Amends Sec. 323 to include high energy costs and crop and livestock quarantines as an emergency for which disaster loans may be made. 2) Financial assistance may be made available when energy costs for any three-month period is at least 50 percent greater than the average of the preceding five years and the applicant's income loss was incurred to prevent livestock mortality, degradation of perishable commodities or damage to field crops. 3) The amount of any loan under the energy emergency authority may not exceed \$200,000. For crop or livestock quarantines, the limit remains at \$500,000. 	No change
<p>Sec. 511. Extension of Authority to Contract for Servicing of Farmer Program Loans.</p> <p>Reauthorizes Sec. 331(d) to allow the Secretary</p>	No change

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to allow qualified private lenders to service loans under the ConAct.	
<p>Sec. 512. Authorization for Loans. Reauthorizes the farmer loan programs at such sums as may be necessary.</p>	No change
<p>Sec. 513. Reservation of Funds for Direct Operating Loans for Beginning Farmers and Ranchers. Reauthorizes the reservation of beginning farmer and ranchers loan amounts through 2011.</p>	No change
<p>Sec. 514. Extension of Interest Rate Reduction Program. Reauthorizes the interest rate buy-down program for farmer program loan guarantees through 2011.</p>	No change
<p>Sec. 515. Increase in Duration of Loans under Down Payment Loan Program. Amends the beginning farmer and rancher down payment loan program by increasing loan repayment period to 15 years.</p>	No change
<p>Sec. 516. Horse Breeder Loans. Requires the Secretary to make loans to eligible horse breeders who have suffered foal losses resulting from mare reproductive loss syndrome. Breeders must have suffered a 30 percent loss in healthy foals in mares owned or boarded by the breeder and the breeder must not be able to obtain sufficient credit elsewhere. Loans may be made for a term not to exceed 15 years at interest rates charged under the emergency disaster loan program operated by the Secretary. A loan or loans may not exceed \$500,000. The authority established under this section terminates September 30, 2003</p>	No change
<p>Sec. 517. Sunset of Direct Loan Programs Under the Consolidated Farm and Rural Development Act. Five years after the enactment of this section the Secretary may not make a farm real estate or operating loan to farmers or ranchers except for youth loans and loans to beginning farmers and ranchers or members of socially-disadvantaged groups. The Secretary retains authority to service loans made prior to the beginning of the sunset. The Secretary is required to conduct two studies during the five-year period following enactment. The first study will begin one year after enactment and must be finished within one year. The second study will begin three years after enactment and must be finished</p>	No change

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<p>within one year. The studies will examine, among other things, the number, average principal amount, and delinquency and default rates of loans made and guaranteed during the periods covered by the studies.</p> <p>Each study must be submitted to the Congress six months after completion and must evaluate the USDA's lending activities, including an analysis of the effectiveness of loan programs in providing the credit needs of agricultural producers in an efficient and fiscally-responsible manner.</p>	
<p>Sec. 518. Definition of Debt Forgiveness.</p> <p>Amends Sec. 343 of the ConAct to provide that the term debt forgiveness does not include consolidation, rescheduling, reamortization, or deferral of a loan nor any loan write-down provided as a part of a resolution of a discrimination complaint against the Secretary.</p>	<p>No change</p>
<p>Sec. 519. Loan Eligibility for Borrowers with Prior Debt Forgiveness.</p> <p>Amends Sec. 373 of the ConAct to authorize the Secretary to make loans to borrowers who have not received debt forgiveness on loans or loan guarantees more than two times and to guarantee loans to borrowers who have not received debt forgiveness on loans or loan guarantees more than three times.</p>	<p>No change</p>
<p>Sec. 520. Allocation of Certain Funds for Socially Disadvantaged Farmers and Ranchers.</p> <p>Amends the ConAct to authorize the Secretary to use funds allocated for socially-disadvantaged farmers and ranchers within a state to be used in other states where there are pending, approved applications for socially-disadvantaged farmers and ranchers. Any unused funds within a state may be reallocated to other applicants in that state.</p>	<p>No change</p>
<p>Sec. 521. Horses Considered to Be Livestock Under the Consolidated Farm and Rural Development Act.</p> <p>Amends Sec. 343 of the ConAct to include horses within the meaning of livestock.</p>	<p>No change</p>

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<p>TITLE VI – RURAL DEVELOPMENT</p> <p>Sec. 601. Funding for Rural Local Television Broadcast Signal Loan Guarantees. Amends the Launching Our Communities’ Access to Local Television Act of 2000 to provide \$200 million for loan guarantees for fiscal years 2002-2006 without fiscal year limitation.</p>	No change
<p>Sec. 602. Expanded Eligibility for Value-Added Agricultural Product Market Development Grants. Amends the Agricultural Risk Protection Act of 2000 to allow \$50 million to be used for value-added grants for each of the fiscal years 2002-2011. This section is designed to increase the participation in the Value-Added Agricultural Products Market Development Grants by allowing broader standards of eligibility for this specific grant category only so that public bodies and trade association can compete along with non-profit institutions and universities for grants designed to develop value-added products for foreign markets. Extends the current program with increased mandatory spending.</p>	No change
<p>Sec. 603. Agriculture Innovation Center Demonstration Program. The Secretary shall make grants to establish centers to provide producers with technical assistance, marketing, and development assistance for value-added agricultural businesses. The Secretary shall use not less than \$5 million for fiscal year 2002 and not less than \$10 million for fiscal years 2003 and 2004. This money is part of the \$50 million being used for Section 602 activities. The Secretary shall use \$300,000 of the funds made available each year to support research at a university on the effects of value-added projects on producers and commodity markets. The Secretary shall submit a report to the House and Senate Agriculture Committees on the effectiveness of this demonstration program.</p>	No change
<p>Sec. 604. Funding of Community Water Assistance Grant Program. Directs the Secretary to use \$30 million for each of the fiscal years 2002-2011 to fund drinking water assistance grants. Extends current program and makes it mandatory spending.</p>	No change
<p>Sec. 605. Loan Guarantees for the Financing of the Purchase of Renewable Energy Systems. The Secretary may provide to persons or individuals a</p>	No change

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loan guarantee under Section 4 of the Rural Electrification Act to finance the purchase of a renewable energy system, including a wind energy system and anaerobic digesters for the purpose of energy generation.	
<p>Sec. 606. Loans and Loan Guarantees for Renewable Energy Systems. Amends Section 310B of the ConAct by inserting “and other renewable energy systems including wind energy systems and anaerobic digesters for the purpose of energy generation”.</p>	No change
<p>Sections 607, 608, 609, 610, 611. Reauthorizes current programs through 2011. Those programs are Rural Business Opportunity Grants (Sec. 607), Grants for Water Systems for Rural and Native Villages in Alaska (Sec. 608), Rural Cooperative Development Grants (Sec. 609), National Reserve Account for Rural Development Trust Fund (Sec. 610), and the Rural Venture Capital Demonstration Program (Sec. 611).</p>	No change
<p>Sec. 612. Increase in Limit on Certain Loans for Rural Development. Increases the loan limit of the Business and Industry lending program authorized by Sec. 310B of the ConAct from \$25 million to \$100 million</p>	No change
<p>Sec. 613. Pilot Program for Rural Development Strategic Plans and Implementation. (a) Development: The Secretary shall select 10 states to implement rural development strategic plans. This is a new program that provides mandatory spending of \$2 million in grants for each fiscal year 2002-2011. (b) Strategic Planning Implementation: Provides mandatory spending of \$13 million for grants to implement the plans for each fiscal year 2002-2011. The Strategic Planning Initiative and Implementation provision authorizes a matching grant pilot program of \$2 million per year to entities for regional, collaborative rural development strategic plans in 10 states. Community-based and grassroots organizations’ support and participation are critically important to successful planning. The matching grant requirement will help ensure that there is a commitment at the local level for the planning process. The provision allows the Secretary to require up to a 50%</p>	No change

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<p>matching grant. This requirement is not intended to serve as a barrier to limited resource communities in fully participating in the program. The Secretary should require matching grants commensurate with a community's ability to pay, even to the point of only requiring a nominal amount in order to ensure the broadest participation.</p> <p>In developing a regional development plan it is imperative that local specialists representing many varied areas of expertise be included. The Secretary should give priority to grant applicants whose proposals include the broadest coalitions of regional and local organizations – both public and private. Entities eligible for matching grants include but are not limited to Councils of Government, Area Development Districts, Economic Development Districts, Local Development Districts, Planning and Development Districts, Regional Planning Commissions and Regional Councils of Government.</p> <p>The Secretary of Agriculture, in selecting the 10 States to implement this program, should give priority to states that have high rural populations or high percentages of rural population. However, the Secretary may consider other appropriate factors as necessary to ensure full participation by other States with significant rural areas not meeting these population requirements.</p>	
<p>Sec. 614. Grants to Nonprofit Organizations to Finance the Construction, Refurbishing, and Servicing of Individually-Owned Household Water Well Systems in Rural Areas for Individuals with Low or Moderate Income.</p> <p>Amends the water and wastewater authorities under the ConAct to authorize the Secretary to make grants and loans to provide individual residential water wells.</p>	No change
<p>Sec. 615. National Rural Development Partnership.</p> <p>Adds a new section to Subtitle E of the ConAct to establish a National Rural Development Partnership composed of the Coordinating Committee and the state rural development councils.</p>	No change
<p>Sec. 616. Eligibility of Rural Empowerment Zones, Rural Enterprise Communities, and Champion Communities for Direct and Guaranteed Loans for Essential Community Facilities.</p> <p>Amends Sec. 306(a) of the ConAct to authorize the Secretary to make or insure loans to communities designated as rural empowerment zones, rural enterprise</p>	No change

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communities or as champion communities to install or improve essential community facilities.	
<p>Sec. 617. Grants to Train Farm Workers in New Technologies and to Train Farm Workers in Specialized Skills Necessary for Higher Value Crops.</p> <p>The Secretary may make grants to an entity to train farm workers to use new technologies and develop specialized skills for agricultural development. Authorizes no more than \$10 million be appropriated to the Secretary for fiscal years 2002-2011 to make such grants.</p>	No change
<p>Sec. 618. Loan Guarantees for the Purchase of Stock in a Farmer Cooperative Seeking to Modernize or Expand.</p> <p>Amends Sec. 310B of the ConAct to provide loan guarantees for individual farmers to purchase capital stock of a farmer cooperative established for an agricultural purpose.</p>	No change
<p>Sec. 619. Intangible Assets and Subordinated Unsecured Debt Required to be Considered in Determining Eligibility of Farmer-Owned Cooperative for Business and Industry Guaranteed Loan.</p> <p>Amends Sec. 310B of the ConAct for this purpose.</p> <p>In considering applications for a loan guarantee from an agricultural cooperative, the Rural Business-Cooperative Service may consider the value of intangible assets such as trademarks, patents, licenses, and brands subject to appraisal, when evaluating the eligibility of an agricultural cooperative for loan guarantees. The same consideration may be given to unsecured subordinated debt, which may be viewed as the equivalent of equity in the cooperative. Both intangible assets and unsecured subordinated debt may be considered in determining the viability of a cooperative's balance sheet.</p>	No change
<p>Sec. 620. Ban on Limiting Eligibility of Farmer Cooperative for Business and Industry Loan Guarantee Based on Population of Area in which Cooperative is Located.</p> <p>Amends the ConAct so that in determining whether a cooperative organization owned by farmers is eligible for a guaranteed loan, the Secretary shall not apply any lending restrictions based on population to the area in which the cooperative is located.</p>	No change

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	<p>Sec. 621. Rural Water and Waste Facility Grants. Removes the appropriation authorization from the rural water and waste water program under the ConAct, in effect providing such sums as may be necessary.</p>
	<p>Sec. 622. Rural Water Circuit Rider Program Establishes permanently under the ConAct a national rural water circuit rider program to provide technical expertise to existing and start-up rural water systems throughout the country. Provides an authorization of appropriations of \$15 million per year.</p>
	<p>Sec. 623. Rural Water Grassroots Source Water Protection Program. Establishes a national source water protection program within the U.S. Department of Agriculture that will enable rural water associations to provide better services in the implementation of wellhead and ground water protection programs. The program is authorized at an annual appropriation of \$5 million</p>

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<p>TITLE VII - RESEARCH AND RELATED MATTERS</p> <p>Subtitle A – Extensions</p> <p>Sec. 700. Market Expansion Research (7 U.S.C. 1632(b)(3)(c)) is extended through 2011.</p>	No change
Sec. 701. National Rural Information Center Clearing-House (7 U.S.C.3125b(c)) is extended through 2011.	No change
Sec. 702. Grants and Fellowships for Food and Agricultural Sciences Education (7 U.S.C. 3152) is extended through 2011.	No change
Sec. 703. Policy research centers (7 U.S.C. 3155(d)) is extended through 2011.	No change
Sec. 704. Human nutrition intervention and health promotion research program (7 U.S.C. 3174(d)) is extended through 2011.	No change
Sec. 705. Pilot research program to combine medical and agricultural research (7 U.S.C. 3174a(d)) is extended through 2011.	No change
Sec. 706. Nutrition education program (7 U.S.C. 3175(c)(3)) is extended through 2011.	No change
Sec. 707. Continuing Animal Health and Disease Research Programs (7 U.S.C. 3195) is extended through 2011.	No change
Sec. 708. Appropriations for research on national or regional problems (7 U.S.C. 3196(a)) is extended through 2011.	No change
Sec. 709. Grants to upgrade agricultural and food sciences facilities at 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222b(b)) is extended through 2011	No change
Sec. 710. National Research and Training Centennial Centers at 1890 Land-Grant Institutions (7 U.S.C. 3222c) is extended through 2011.	No change
Sec. 711. Hispanic Serving Institutions (7 U.S.C. 1632(c)) is extended through 2011.	No change
Sec. 712. Competitive Grants for International Agricultural Science and Education Programs (7 U.S.C. 3292b) is extended through 2011.	No change
Sec. 713. University Research (7 U.S.C. 1632(a) and (b)) is extended through 2011.	No change
Sec. 714. Extension Service (7 U.S.C. 3312) is extended through 2011.	No change

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Sec. 715. Supplemental and Alternative Crops (7 U.S.C. 3319d(a)) is extended through 2011.	No change
Sec. 716. Aquaculture Research Facilities (7 U.S.C. 3324) is extended through 2011.	No change
Sec. 717. Rangeland Research (7 U.S.C. 3336(a)) is extended through 2011.	No change
Sec. 718. National Genetics Resources Program (7 U.S.C. 5844) is extended through 2011.	No change
Sec. 719. High-priority research and extension initiatives (7 U.S.C. 5925(h)) is extended through 2011.	No change
Sec. 720. Nutrient Management Research and Extension Initiative (7 U.S.C. 5925a(g)) is extended through 2011.	No change
Sec. 721. Agriculture Telecommunications Program (7 U.S.C. 5926(h)) is extended through 2011.	No change
Sec. 722. Alternative Agricultural research and commercialization revolving fund authorization of appropriations (7 U.S.C. 5908(g)(1) and capitalization (7 U.S.C. 5908(g)(2)) is extended through 2011.	No change
Sec. 723. Assistive technology program for farmers with disabilities (7 U.S.C. 5933(c)(1)) is extended through 2011.	No change
Sec. 724. Partnerships for high-value agricultural product quality research (7 U.S.C. 7622(g)) is extended through 2011.	No change
Sec. 725. Biobased products pilot project (7 U.S.C. 7624(c)(2) and authorization of appropriations (7 U.S.C. 7624(h)) is extended through 2011.	No change
Sec. 726. Integrated research, education, and extension competitive grants program (7 U.S.C. 7626(c)) is extended through 2011.	No change
Sec. 727. Institutional capacity building grants (7 U.S.C. 301 note) is extended through 2011.	No change
Sec. 728. 1994 Institution research grants (7 U.S.C. 301 note) is extended through 2011.	No change
Sec. 729. Endowment for 1994 Institutions (7 U.S.C. 301 note) is extended through 2011.	No change
Sec. 730. Precision agriculture (7 U.S.C. 7623(i) is extended through 2011.	No change
Sec. 731. Thomas Jefferson Initiative for crop diversity (7 U.S.C. 7625(h) is extended through 2011.	No change
Sec. 732. Support for research regarding diseases of wheat, triticale, and barley caused by Fusarium graminearum or by Tilletia Indica (7 U.S.C.	No change

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7628(c)) is extended through 2011.	
Sec. 733. Office of Pest Management Policy (7 U.S.C. 7653) is extended through 2011.	No change
Sec. 734. National Agricultural Research, Extension, Education and Economics Advisory Board (7 U.S.C. 3123(h)) is extended through 2011.	No change
Sec. 735. Grants for research on production and marketing of alcohols and industrial hydrocarbons from agricultural commodities and forest products (7 U.S.C. 3154(d)) is extended through 2011.	No change
Sec. 736. Biomass research and development (7 U.S.C. 7624 note) is extended through 2011.	No change
Sec. 737. Agricultural Experiment Stations Research Facilities (7 U.S.C. 390d) is extended through 2011.	No change
Sec. 738. Competitive, Special, and Facilities Research Grants, National Research Initiative (7 U.S.C. 450(i)) is extended through 2011.	No change
Sec. 739. Federal agricultural research facilities authorization of appropriations (P.L. 99-198; 99 Stat. 1556) is extended through 2011.	No change
	Sec. 740. Cotton Classification Services . (7 U.S.C. 473a) is extended. Program set to expire at end of FY 02 is extended through FY 11.
	Sec. 740A. Critical Agricultural Materials Act. (7 U.S.C. 178n(a)) is extended.
Subtitle B – Modifications	
Sec. 741. Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note) is amended in section 534(a)(1)(A) by increasing the authorization of appropriations, modifying the definition by which full-time equivalent Indian Student Count is calculated, and updating the names of institutions.	No change
Sec. 742. The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended to make 1994 Land Grant Institutions eligible to compete for grants under section 1404(4) (7 U.S.C. 3103(4)).	No change
Sec. 743. The Initiative for Future Food and Agricultural Systems (7 U.S.C. 7621(c)(2)), Precision Agriculture (7 U.S.C. 7623), the Thomas Jefferson Initiative for Crop Diversity (7 U.S.C. 7625(a)), and the Coordinated Program of Research, Extension,	No change

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<p>and Education to Improve Viability of Small and Medium Size Dairy, Livestock, and Poultry Operations (7 U.S.C. 7627) are amended to include energy efficiency and renewable resources in priority research areas. Support for Research Regarding Diseases of Wheat, Triticale, and Barley caused by Fusarium graminearum or by Tilletia Indica (7 U.S.C. 7628(a)) is amended to include research related to Karnal bunt identification and control. A new section is added to the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621 et seq) to authorize a Program to Control Johne’s Disease.</p>	
<p>Sec. 744. The Agricultural Genome Initiative (7 U.S.C. 5924(b)) is amended to include plant pathogens as an eligible research priority. The High-Priority Research and Extension Initiative (7 U.S.C. 5925(e)) is amended to include several new high-priority research and extension projects.</p>	<p>No change</p>
<p>Sec. 745. The National Agricultural Research, Extension, Education and Economics Advisory Board (7 U.S.C. 3123) is amended to add a non Land-grant college or university representative to the board, and provide authority for the board to consult with Congress and non research agencies of the U.S. Department of Agriculture. Grants for Research on Production and Marketing of Alcohols and Industrial Hydrocarbons from Agricultural Commodities and Forest Products (7 U.S.C. 3154) is amended to include industrial oilseed crops. The National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291(a)) is amended to authorize an internship program in Foreign Agriculture Service overseas offices.</p>	<p>Total Membership of the Advisory Board is increased from 30 to 31 members.</p>
<p>Sec. 746. Biomass Research and Development (7 U.S.C. 7624 note) is amended to include biodiesel in the Congressional Statement of Findings, to include animal by-products in the definition of “Biomass”, and to add a livestock trade association representative to the Biomass Research and Development Technical Advisory Committee.</p>	<p>No change</p>
<p>Sec. 747. Biotechnology Risk Assessment Research (7 U.S.C. 5921) is amended to ensure that risk assessment projects carried out under this program compare the risks associated with products of agricultural biotechnology to those associated with traditionally bred plants and animals.</p>	<p>No change</p>

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Sec. 748. The National Competitive Grants Research Initiative (7 U.S.C. 450(i)) is amended to provide for consultation on development of program priorities with the National Agriculture Research, Extension, Education, and Economics Advisory Board.	No change
Sec. 749. The National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222d) is amended to phase in an increased matching requirement for non-Federal funds for 1890 land-grant colleges and universities to 100% by 2007. A new section is added to allow for a 50% matching requirement for the 1972 Land-Grant Colleges in the United States Territories. The Secretary is granted authority to waive the matching requirement if it is unlikely that a Territorial college will be able to satisfy the matching requirement in an individual fiscal year.	No change
	Sec. 749A. Matching Fund Requirement for Research and Extension Activities for the United States Territories. Technical Correction made to amend Hatch Act and Smith-Lever Act as opposed to 1977 Act. (7 U.S.C. 361c(d)(4)) and (7 U.S.C. 343(e)(4)) are amended to establish matching and Requirements.
Sec. 750. The Initiative for Future Agriculture and Food Systems (7 U.S.C. 7621) is amended to provide a total of \$1,160,000,000 to be transferred from the Treasury in equal increments for each fiscal year beginning on October 1, 2003 through September 30, 2011. Funds transferred beginning on October 1, 2003 would be available until expended.	Funds will be deposited directly into the Commodity Credit Corporation accounts as opposed to a separate account in the Treasury.
Sec. 751. Carbon Cycle Research (P.L. 106-224; 114 Stat. 407) is amended to provide an authorization of appropriations so that a discretionary program could be continued.	No change
Sec. 752. The Research Facilities Act (7 U.S.C. 390(2)(3)) is amended to strike the definition of Food and Agricultural Sciences and instead refer to the definition of Food and Agricultural Sciences in section 1408(8) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977.	No change
Sec. 753. The Smith-Lever Act (7 U.S.C. 343(b)(3)) is amended to provide that “such sums as are necessary” may be appropriated to carry out this section.	No change

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	Sec. 754. Policy Research Centers (7 U.S.C.-3155(c)(3)) is amended to provide for dissemination of research information. Section added to provide that grant funding may be used to disseminate policy research information.
<p align="center">Subtitle C – Related Matters</p> <p>Sec. 761. New authority is provided for resident instruction at land-grant colleges in United States Territories, subject to the availability of appropriations.</p>	No change
<p>Sec. 762. The Plant Protection Act (7 U.S.C. 7715(c)), Animal Industry Act (21 U.S.C. 114a) and the Act of September 25, 1981 (7 U.S.C. 147b) are amended to provide for more efficient management of declarations of extraordinary emergencies and transfer of funds from the Commodity Credit Corporation. A new section (419(a)) is added to the Plant Protection Act require the Secretary to determine if uses of methyl bromide required by state, local and tribal authorities to control the spread of plant pests and noxious weeds shall be authorized. In addition, the Secretary would maintain a registry of authorized uses.</p>	No change
<p align="center">Subtitle D – Repeal of Certain Activities and Authorities</p> <p>Sec. 771. Food safety research information office and national conference (7 U.S.C. 7654(b) National Conference and (c) Food Safety Report are repealed</p>	No change
<p>Sec. 772. Reimbursement of expenses under sheep promotion, research, and information Act of 1994 (P.L. 105-185; 112 Stat. 607) is repealed.</p>	No change
<p>Sec. 773. National Genetic Resources Program advisory council (7 U.S.C. 5843) is repealed.</p>	No change
<p>Sec. 774. National Advisory Board on Agricultural Weather (7 U.S.C. 5853) is repealed</p>	No change
<p>Sec. 775. Agricultural Information Exchange with Ireland (P.L. 99-198; 99 Stat. 1551) is repealed.</p>	No change
<p>Sec. 776. Pesticide Resistance Study (P.L. 99-198; 99 Stat. 1558) is repealed.</p>	No change
<p>Sec. 777. Expansion of Education Study (P.L. 99-198; 99 Stat. 1559) is repealed.</p>	No change
<p>Sec. 778. Support for advisory board of the National Agriculture Library (7 U.S.C. 3127) is repealed.</p>	No change
<p>Sec. 779. Task force on 10-year strategic plan for agricultural research facilities (7 U.S.C. 390b) is repealed.</p>	No change

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<p>Subtitle E - Agriculture Facility Protection</p> <p>Sec. 790. Agriculture Facility Protection</p> <p>The Research Facilities Act (7 U.S.C. 390 et.seq.) is amended by adding a new section to provide the Secretary with authority to investigate and assess civil penalties in cases of reckless or intentional destruction of animal or agricultural enterprises. A civil penalty assessed by the Secretary against a person for a violation shall be not less than the total cost incurred by the Secretary and the total cost of the economic damage suffered by the agricultural enterprise. A fund to assist victims of disruption would be established in the Treasury consisting of that portion of each civil penalty that represents the recovery of economic damages. The Secretary of Agriculture shall use the fund to compensate an animal or agricultural enterprise for economic losses.</p>	<p>No change</p>

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<p>TITLE VIII -- FORESTRY INITIATIVES</p> <p>Sec. 801. Repeal of Forestry Incentives Program and Stewardship Incentive Program. Repeals the Forestry Incentives Program and Stewardship Incentive Program located in section 4 and section 6 of the Cooperative Forestry Assistance Act of 1978 respectively.</p>	<p>No change</p>
<p>Sec. 802. Establishment of Forest Land Enhancement Program. Creates a new program administered through NRCS. FLEP will provide cost-share assistance to non-industrial private forest landowners who agree to develop a management plan and implement approved activities for a period of not less than 10 years. The Secretary is directed to cooperate with other federal and state agencies as well as the private sector in implementing the program. The maximum amount of cost-share is limited to a sum not to exceed 75% of the total cost. The Secretary is directed to determine the maximum amount of payments by any one owner. FLEP is funded with \$15 M in mandatory money per year for fiscal years 2002 through 2011.</p>	<p>802(c) – New section 4(d)(1) and (d)(2)(I) of the Cooperative Forestry Assistance Act of 1978. is amended to include Secretarial consultation with State foresters in addition to St. Forest Stewardship Council in developing approved forest activities. New sec. 4(j) amended to increase funding from 150 million to 200 million annually.</p>
<p>Sec. 803. Renewable Resources Extension Activities. Reauthorizes the Renewable Resources Extension Act through 2011. Provides \$30 million of discretionary money. Also creates a Sustainable Forestry Outreach Initiative within the RREA which would provide education to landowners about sustainable forestry practices.</p>	<p>No change</p>
<p>Sec. 804. Enhanced Community Fire Protection. Directs the Secretary to coordinate with local communities in implementing the rural fire prevention and control strategies. Also creates a Community and Private Land Fire Assistance Program which enables the Secretary to undertake a variety of activities aimed at preventing fires on both federal and non-federal lands. Provides \$35 million of discretionary money.</p>	<p>No change</p>
<p>Sec. 805. International Forestry Programs. Reauthorizes the International Forestry Program through 2011.</p>	<p>No change</p>
<p>Sec. 806. Long-term Forest Stewardship. Contracts for hazardous fuels removal and implementation of the National Fire Plan. Gives the</p>	<p>806(a) amended to change applicability to National Forest System lands instead of Federal lands.</p>

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<p>Secretary the authority to enter into stewardship end result contracts to implement the National Fire Plan on Federal lands.</p>	<p>Conforming changes made to refer the USDA Secretary instead of USDA and Interior Secretaries. 806(e), definitions of “Federal lands” and Secretary concerned”, deleted because the definitions are no longer necessary</p>
<p>Sec. 807. McIntire-Stennis Cooperative Forestry Research Program.</p> <p>Reaffirms the importance of Public Law 87-88, the McIntire-Stennis Cooperative Forestry Act.</p> <p>The Forestry Initiatives Title modifies USDA assistance programs for State and private forestry.</p> <p>The Forestry Title repeals the Forestry Incentives Program and the Stewardship Incentives Program and creates a new program in their place, the Forest Land Enhancement Program (FLEP). FLEP provides cost-share assistance to landowners for a wide range of activities including the development of land management plans. The Secretary of Agriculture is directed to distribute \$150 million for FY 2002 through FY2011 in mandatory spending through the Natural Resources Conservation Service (NRCS) to the State forestry agencies for landowner assistance.</p> <p>The Sustainable Forestry Outreach Initiative, within the Renewable Resources Extension Act, directs the Secretary through Extension Services to create a new program for the purpose of educating landowners about: the value and benefits of practicing sustainable forestry; the importance of professional forestry advice in achieving sustainable forestry objectives; and, the variety of public and private sector resources available to assist them in planning for and practicing sustainable forestry. The objective of this program is to articulate the importance of sustainable forest management on nonindustrial private lands, and to develop a marketing program designed to provide private landowners with information on all Federal, State, and Private programs developed to assist private landowners with sustainable forest management options.</p>	<p>No change</p>

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<p>TITLE IX -- MISCELLANEOUS PROVISIONS</p> <p>Subtitle A—Tree Assistance Program</p> <p>Sec. 901. Eligibility. Requires the Secretary of Agriculture to provide assistance to eligible orchardists that planted trees for commercial purposes but lost such trees as a result of a natural disaster. Orchardists qualify for assistance only if tree mortality exceeds 15%.</p>	No change
<p>Sec. 902. Assistance. Consists of either reimbursement of 75% of the cost of replanting eligible trees lost or, at the discretion of the Secretary, sufficient seedlings to reestablish the stand.</p>	No change
<p>Sec. 903. Limitation on Assistance. Payment limitation per person may not exceed \$50,000 or an equivalent value in tree seedlings. Requires the Secretary to issue regulations defining “person.” Requires the Secretary to issue regulations prescribing rules to ensure a fair and reasonable application of the limitation established under this section.</p>	No change
<p>Sec. 904. Definitions. Defines “eligible orchardist,” “natural disaster,” and “tree”.</p>	No change
<p>Subtitle B—Advisory Council and Federal Interagency Working Group on Upper Mississippi River</p> <p>Sec. 911. Definitions. Defines “Advisory Council,” “Upper Mississippi River Basin,” and “Upper Mississippi River Stewardship Initiative</p>	Deleted
<p>Sec. 912. Establishment of Advisory Council on the Upper Mississippi River Stewardship Initiative. Creates an advisory council to provide guidance regarding the Upper Mississippi River Stewardship Initiative. Members shall be appointed by the governors of the states of Minnesota, Wisconsin, Illinois, Iowa and Missouri. Membership shall also include members drawn from the state technical committees in each of the states named above.</p>	Deleted
<p>Sec. 913. Responsibilities of Advisory Council. Provides that the Advisory Committee shall serve as a means for coordination, communication and information sharing regarding issues in the Upper Mississippi River Basin such as science and technology concerning conservation practices. Requires the Advisory Council</p>	Deleted

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<p>to prepare an annual report regarding publicly-financed efforts to reduce sediment and nutrient loss. Provides for the creation of specific issue task forces within the Advisory Council as needed. Requires the Advisory Council to hold an annual public meeting in each state represented on the council to formulate recommendations and seek public input regarding methods and priorities to reduce nutrient and sediment loss in the Upper Mississippi River Basin.</p>	
<p>Sec. 914. Advisory Nature of Council. Provides that the Advisory Council is purely advisory in nature. However, the Secretary and the heads of other federal agencies in the interagency working group established in section 915 shall give strong consideration to the Council's recommendations in administering the natural resources programs in the region.</p>	Deleted
<p>Sec. 915. Federal Interagency Working Group Requires the Secretary of Agriculture and the Secretary of the Interior to establish an interagency working group to coordinate federal nutrient and sediment reduction efforts in the Upper Mississippi River Basin under the Initiative.</p>	Deleted
<p>Sec. 916. Authorization of Appropriations. Authorizes \$400,000 for each of fiscal years 2003 through 2011 to carry out this subtitle.</p>	Deleted
<p>Subtitle C—Other Matters Sec. 921. Hazardous Fuels Reduction Grants to Prevent Wildfire Disasters and Transform Hazardous Fuels to Electric Energy, Useful Heat or Transportation Fuels. Authorizes the Secretary to make grants to energy producers who purchase hazardous fuels (unnaturally excessive accumulations of organic material), derived from forests lands, for use in the production of electric energy, useful heat, or transportation fuels. The grants will be awarded based on the planned purchase of such hazardous fuels and the level of anticipated benefit to reduce wildfire risk. There are authorized to be appropriated \$50,000,000 for each fiscal year to carry out this program.</p>	Redesigned as subtitle B, no other changes.
<p>Sec. 922. Bioenergy Program. Requires the Secretary to include animal fats, agricultural by-products, and oils as eligible commodities under the existing Bioenergy Program (7 CFR 1424)</p>	No change

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<p>Sec. 923. Availability of section 32 funds. Amends the second undesignated paragraph of section 32 of 7 U.S.C. 612c by striking “\$300,000,000” and inserting “\$500,000,000”.</p>	No change
<p>Sec. 924. Seniors farmers’ market nutrition program. Allows Secretary to use \$15,000,000 for each of fiscal years 2002 through 2011 to carry out and expand a seniors farmers’ market nutrition program. Further explains purposes of program.</p>	No change
<p>Sec. 925. Federal marketing order for cane berries. Requires Secretary to issue a Federal marketing order for cane berries grown in the United States. A Federal Marketing Order for cane berries will allow producers to promote orderly marketing through collectively influencing the supply, demand or price and to pool resources to finance research and promotion. Producers need this tool to address low prices due, in part, to overproduction. Fruit and Vegetable Advisory Committee- Presently USDA has oversight of numerous programs that impact and influence the day to day activities of the produce industry, many unique to the specialty crop industry. During the past Congress, the Secretary of Agriculture approved a USDA Fruit and Vegetable Advisory Committee which was strongly supported by industry. However, the structure and/or appointments have not yet been decided on. To ensure that industry members and federal officials maintain an open dialogue to provide suggestions and ideas on how USDA administers fruit and vegetable programs to meet the industry’s changing needs, the Managers encourage the Secretary of Agriculture to finish completion of the review process to establish and appoint members to this Fruit and Vegetable Advisory Committee.</p>	Section 925 rewritten as amendment to section 8c and 9e(a) of the Agricultural Adjustment Act.
<p>Sec. 926. National Appeals Division. Provides that if an appellant prevails at the regional level in an administrative appeal of a decision by the National Appeals Division, the Agency may not pursue an administrative appeal of that decision to the national level.</p>	No change
<p>Sec. 927. Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers. The outreach program for socially-disadvantaged farmers and ranchers contained in Sec. 2501 of the Food, Agriculture, Conservation and Trade Act of 1990</p>	No change

H.R. 2646 as Reported	Amendment in the Nature of a Substitute to H.R. 2646
is amended by increasing the authorization of appropriations from \$10 million in each fiscal year to \$25 million.	
	Sec. 928 Equal treatment of potatoes and sweet potatoes. New Section 928 added to include sweet potatoes as an eligible insurable crop.
	Sec. 929. Reference to sea grass and sea oats as crops covered by noninsured crop disaster assistance program. New Section 929 added to include sea grass and sea oats as eligible crops for uninsured crop disaster assistance.
	Sec. 930. Operation of Graduate School of Department of Agriculture. New Section 930 added to require that contracts entered into between the USDA Graduate School and Federal agencies for educational, training, and professional development activities must be open to competitive bidding with the private sector.
	Sec. 931. Assistance for livestock producers. New Section 931 added to authorize, subject to appropriations, assistance for livestock and dairy producers.